

KUALA LUMPUR (Nov 29): After as of late anchoring a joint endeavor for its gainful investigation and production portion, Sapura Energy Bhd is currently in chats with a few potential accomplices for its drilling fragment.

President and CEO Tan Sri Shahril Shamsuddin affirmed that the incorporated oil and gas group has just been drawn nearer by somewhere around one organization to take an interest in its drilling business.

"As a matter of fact it is very comparative [to Sapura Energy's ongoing tie up with Austrian OMV Aktiengesellschaft (OMV AG)] — it is the other organization looking for us," Shahril told reporters after a remarkable general meeting of the group.

"However, the cost must be right," he stated, including Sapura Energy has incorporated an essential that the partner must have the capacity to bring the group into new markets and to give access to new equipment at aggressive cost later on.

Drilling is one of Sapura Energy's three center organizations, nearby investigation and creation, and designing and development.

The organization looked for by Sapura Energy might be referenced to its association with OMV AG went into on Nov 11. At the time, Sapura Energy cut out half of its E&P unit Sapura Upstream SdnBhd — its solitary gainful portion by and by — to OMV for an estimation of up to US\$975 million.

Sapura Energy as of now possesses 16 rigs, containing eight semi-tender apparatuses and eight tender help rigs.

In the midst of the sectoral downturn as of late, the group has brought about enormous impairments over its drilling resources, including the RM2.1 billion caused in the final quarter finished Jan 31, 2018.

Use rate for the assets — which Shahril depicted as 'relatively young' with normal residual lifespan of 15-20 years — right now remains at 35%.

On whether Sapura Energy's engineering and construction section will likewise invite new organization or divestments, Shahril stated: "That is our core business, so there is no [plan to do so]."

shares of Sapura Energy rose a large portion of a sen or 1.45% to 35 sen, with 11.27 million shares traded, giving it a market capitalisation of RM2.07 billion.

Source: <http://www.theedgemarkets.com/article/sapura-talks-possible-drilling-segment-partnership>